6712-01

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Parts 1 and 22

[WT Docket No. 12-40; RM-11510; FCC 14-181]

Cellular Service, Including Changes in Licensing of Unserved Area

AGENCY: Federal Communications Commission.

ACTION: Final rule.

SUMMARY: In this Report and Order ("R&O"), the Federal Communications Commission ("Commission") adopts new and revised rules governing the 800 MHz Cellular ("Cellular") Service, changing the licensing model from site-based to geographic-based and eliminating numerous filing requirements while preserving direct access to area not yet licensed ("Unserved Area"). The Commission also deletes obsolete and unnecessary provisions in the rules and streamlines requirements remaining in place. The resulting modernized scheme gives greater flexibility to Cellular licensees to make improvements to their systems in response to changing market demands.

DATES: Effective [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER], except for the amendments to 47 CFR 22.165(e), 47 CFR 22.948, and 47 CFR 22.953, which contain information collection requirements that have not yet been approved by the Office of Management and Budget (OMB). The Commission will publish a document in the Federal Register announcing the effective date of those three amendments. **FOR FURTHER INFORMATION CONTACT:** Nina Shafran, Mobility Division, Wireless Telecommunications Bureau, (202) 418-2781, TTY (202) 418-7233.

SUPPLEMENTARY INFORMATION: This is a synopsis of the Federal Communications Commission's Report and Order ("R&O"), WT Docket No. 12-40, RM No. 11510, FCC 14-181, adopted November 7, 2014 and released November 10, 2014. The full text of the R&O, including all Appendices, is available for inspection and copying during normal business hours in the FCC

Reference Center, 445 12th Street SW, Room CY-A157, Washington, DC 20554, or by downloading the text from the Commission's website at http://transition.fcc.gov/Daily_Releases/Daily_Business/2014/db1110/FCC-14-181A1.pdf. The complete text also may be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc. Portals II, 445 12th Street, SW, Suite CY-B402, Washington, DC 20554. Alternative formats are available for people with disabilities (Braille, large print, electronic files, audio format), by sending an e-mail to FCC504@fcc.gov or calling the Consumer and Government Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (TTY).

Synopsis of the Report and Order

I. Background

- 1. Under the current site-based licensing rules, a Cellular applicant requests authorization to construct at a specific transmitter location (or multiple locations) in Unserved Area and may construct only authorized transmitters. Cellular Unserved Area applications specify the area to be licensed as CGSA and, because they are classified as "major" applications no matter how small the expansion area, they are subject to a 30-day public comment period during which petitions to deny and competing applications may be filed. In the event that mutually exclusive applications are accepted for a particular Unserved Area, they are resolved through competitive bidding in closed auctions. Unserved Area licenses granted are subject to a one-year construction deadline for the authorized site; failure to build out results in automatic termination of the authorization for that site, and the Unserved Area again is subject to relicensing.
- 2. In a Notice of Proposed Rulemaking released on February 15, 2012 ("2012 NPRM"), the Commission proposed to transition the Cellular Service to geographic-based licensing by issuing geographic-area overlay licenses through competitive bidding in two stages. The Commission also proposed new and revised rules. The Commission sought comment on all aspects of its proposals as well as on other ideas, proposals, and comments discussed in the 2012

<u>NPRM</u>, and also invited the submission of alternative ideas. In response to the <u>2012 NPRM</u>, interested parties submitted comments, reply comments, and <u>ex parte</u> letters. The specific reforms adopted by the Commission in the <u>R&O</u> are described below.

II. Report and Order

A. Geographic License Boundaries

- 3. While the traditional geographic licensing model, such as the model for the Broadband Personal Communications Service ("PCS") and other commercial wireless services, entails awarding licenses (via competitive bidding if mutually exclusive applications are accepted) for areas whose boundaries are co-terminus with well-known political boundaries or other market areas established by the Commission, such as Metropolitan Statistical Areas, the Commission concludes that geographic areas should be defined for the Cellular Service at this time by CGSA boundaries. This is consistent with the Commission's goals and recognizes the history and current status of the Cellular Service.
- 4. As explained in more detail in the <u>2012 NPRM</u>, the Commission digitized all CGSAs using the most recent maps on file for licensed CGSAs, creating map files in geographic information system ("GIS") format. Since then, the staff has regularly updated the files, and in October 2013, made them publicly available online. They draw directly from official Universal Licensing System ("ULS") station records for the Cellular Service, using the most recent CGSA maps of record, including those accompanying Cellular applications submitted pursuant to Commission rules. The staff uses them to determine the official boundary of an authorized CGSA (and a proposed CGSA when reviewing a Cellular Service application). They will continue to be updated regularly, and licensees as well as new-system applicants should consult them to verify CGSA boundaries.

B. Field Strength Limit

5. Based on the record in this proceeding, the Commission finds that its proposed 40

dB μ V/m field strength limit is appropriate for the Cellular Service and, accordingly, the Commission adopts a new rule establishing this limit. The Commission also finds it appropriate, consistent with other geographic-based wireless services, to permit neighboring co-channel Cellular licensees to negotiate different field strength limits – higher or lower than 40 dB μ V/m. The Commission emphasizes that Cellular licensees must comply at all times with the applicable radiated power limits as well as applicable provisions of international agreements and treaties. However, given that the Commission is preserving the ability to expand service coverage into any Unserved Area nationwide, both through CGSA expansions and SAB extensions (as discussed further below), the Commission finds it appropriate to depart from the 2012 NPRM proposal to subject all Cellular licensees to a 40 dB μ V/m (or negotiated) signal field strength limit at their respective license boundaries. Under the approach the Commission has adopted in the R&O, a Cellular licensee's CGSA will not always be adjacent to a neighboring co-channel licensee's CGSA; it may in some cases be bordered by Unserved Area. Therefore, increased flexibility for Cellular licensees is warranted when applying the field strength limit rule.

- 6. Accordingly, the Commission adopts a rule that will apply at every point along the neighboring co-channel licensee's CGSA boundary. The following two examples illustrate this new rule: (1) if a licensee's CGSA borders Unserved Area (whether currently or through a service coverage expansion in compliance with the new rules), that licensee can exceed the 40 dBμV/m limit at its own CGSA boundary, so long as it complies with that limit (or a negotiated limit) at every point along the neighboring co-channel licensee's CGSA boundary; (2) if two co-channel licensees' CGSAs are adjacent, both licensees will be subject to the field strength limit rule at every point along their shared CGSA boundary to protect one another. The Commission concludes that this more flexible approach serves the public interest.
- 7. The Commission declines at this time to provide a methodology regarding how the field strength should be determined. Cellular licensees are best positioned to choose a

methodology that takes into account factors unique to their systems and the area involved, including, for example, technologies, traffic loading, topography, and location of major roads. The Commission recognizes that the existing regime in the Gulf of Mexico ("Gulf") Cellular market was carefully crafted following lengthy Commission and judicial proceedings. Accordingly, as set forth in the new field strength limit rule (47 CFR 22.983) and the revised version of 47 CFR 22.912 that the Commission also adopts in this R&O (discussed further below), the Commission finds that it serves the public interest to continue to maintain the status quo Gulf regime in most respects and not apply the new field strength limit rule. Specifically, the Commission will continue to require service area extension agreements and associated filings with the Commission as follows: land-based carriers adjoining the Gulf will be required to negotiate any desired SAB extensions into the Gulf of Mexico Exclusive Zone and submit minor modification applications to the Commission, certifying that such consent has been obtained; and licensees in the Gulf of Mexico Exclusive Zone will likewise be required to negotiate any desired SAB extensions into the licensed area of neighboring land-based carriers and submit minor modification applications to the Commission, certifying that such consent has been obtained. The Commission clarifies that all land-based carriers will, however, be subject to the new field strength limit rule to protect the licensed CGSA boundaries of all neighboring co-channel landbased licensees.

8. No commenters objected to the proposal to retain the requirements for mandatory coordination currently set forth in 47 CFR 22.907, and the Commission finds that it serves the public interest to adopt that proposal. As the Commission emphasizes, Cellular licensees will be permitted to expand their CGSAs and extend their SABs (in compliance with the new rules adopted in the R&O), which are calculated based on contours. The formulas in 47 CFR 22.911 provide a proven method for the requisite calculation of such contours and the service area within them, and the Commission finds that they do not warrant change at this time. The Commission

does, however, revise 47 CFR 22.911 to delete provisions rendered obsolete by its decision to adopt a field strength limit rule and the related decision to eliminate certain requirements governing SAB extensions into another licensee's CGSA, discussed below, in connection with transitioning the Cellular Service to a geographic-based model. These revisions to 47 CFR 22.911 do not affect the formulas for calculating CGSAs and SABs.

C. SAB Extensions Negotiated with Another Licensee

- 9. <u>Background.</u> Under the current Cellular site-based licensing regime, a licensee seeking to extend service coverage on a secondary basis into the licensed area of a neighboring co-channel licensee is required to negotiate an SAB extension agreement and is then required to file a minor modification application for the extension and certify that the neighboring licensee's consent has been obtained. In response to the <u>2012 NPRM</u>, some commenters cautioned that previously negotiated SAB extension agreements should not be disrupted by the Commission.
- 10. Consistent with the approach taken in other commercial wireless services and the Commission's goals in this proceeding, the Commission revises 47 CFR 22.912 to reflect that the Commission will no longer require applications for SAB extensions into neighboring CGSAs, and it adopts a conforming change to 47 CFR 22.911(d). The Commission clarifies that, so long as a licensee either meets the 40 dBμV/m field strength limit or negotiates a different limit (higher or lower) with the neighboring co-channel licensee, resulting SAB extensions into a neighboring licensee's CGSA will be permitted without a minor modification application or a certification that consents have been obtained. The exception is with respect to the Gulf, as discussed above. The Commission emphasizes that it does not seek to disrupt previously negotiated SAB extension agreements between Cellular licensees, nor does it seek to prohibit new ones. The Commission fully expects that parties will continue to comply with the terms of their existing SAB extension agreements or negotiate new terms if they deem warranted.

D. SABs Remaining within CGSA Boundaries

11. Under the existing site-based licensing regime, Cellular licensees are required to file

minor modification applications notifying the Commission of the addition or modification of transmitter sites that form the CGSA boundary – so-called border sites. While system changes to purely internal (non-border) sites generally do not require a Commission filing, changes to border sites require the notifications (but not prior approval) even when the resulting new or modified SAB remains entirely within the CGSA boundary.

- 12. The Commission finds that it serves the public interest to no longer require that Cellular licensees notify the Commission of changes to cell sites, or the addition of new cell sites, where the SAB remains confined within the existing CGSA boundary. This approach is consistent with the Commission's goals of reducing licensee administrative burdens, enhancing flexibility to adapt quickly to technological and market place changes, and increasing harmonization of the Cellular Service rules with those of other geographically licensed services.
- 13. Section 22.165(e). The introductory clause of 47 CFR 22.165 limits the scope of the entire rule to transmitters that may be added without prior Commission approval, and subsection 22.165(e) governs Cellular licensees solely in that context; it does not address whether adding a Cellular transmitter triggers the requirement to file a notification with the Commission.

 Consistent with the licensing approach the Commission adopts in this R&O, the Commission also adopts a simplified 47 CFR 22.165(e) that eliminates references to the legacy Cellular licensing model (e.g., the five-year construction period of an initial primary license) and clarifies when a Cellular transmitter may be added without prior Commission approval.

E. 50-Square-Mile Minimum for CGSA Expansions

14. There is currently no required minimum for expansion of an existing system's CGSA into Unserved Area, and any expansion no matter how small requires a major modification application seeking prior Commission approval. All CGSA-expansion applications are placed on public notice for 30 days. This reform proceeding has evaluated whether there is a continued need for modification applications and subsequent buildout notifications for very small system

changes. Also, a high number of amendments are subsequently filed, either to cure applicant errors or change the coverage or certain technical parameters initially proposed. The result is a process that consumes significant licensee and FCC resources. Commission data indicate that, by limiting CGSA-expansion major modification applications to those that propose expansion of 50 contiguous square miles or more, together with adopting a streamlined procedure for service coverage expansions of less than 50 contiguous square miles, the volume of major modification applications and associated amendments for CGSA expansions will be dramatically reduced. Likewise, the volume of build-out notification filings would also be significantly reduced.

15. The Commission is persuaded, as noted above, to continue to permit CGSA expansions in all CMA Blocks at this time. The Commission also agrees with the commenters that it serves the public interest to establish by rule a minimum requirement of 50 contiguous square miles (as determined pursuant to the applicable formula in 47 CFR 22.911) for all CGSA expansions (i.e., to expand service coverage on a primary, protected basis). The Commission concludes that this approach balances the concerns of large and smaller carriers alike, particularly because the Commission will not only continue to permit secondary operation to serve smaller parcels (less than 50 contiguous square miles), but will enhance flexibility by eliminating previously required Commission filings for such parcels, as discussed in detail in the next section of this R&O. The Commission incorporates this minimum requirement for CGSA expansions into the revised version of 47 CFR 22.949 that the Commission adopts in this R&O and, consistent with the Commission's regulatory reform agenda to streamline rules where possible, the Commission consolidates the existing new-system coverage requirements currently set forth in 47 CFR 22.951 into 47 CFR 22.949. The Commission declines at this time to adopt a commenter's proposal to establish a two-year build-out requirement solely for licensees in Alaska; it finds that the one-year build-out requirement applicable to all Cellular licensees has generally worked well and does warrant change at this time.

16. The Commission anticipates that licensees will not make unnecessary filings under the new rules it adopts in this <u>R&O</u>. The Commission clarifies that, to the extent that applications are filed claiming Unserved Area as CGSA without meeting the new minimum square mileage requirement, Commission staff will not process them; rather, they will return or dismiss such filings unless first withdrawn by the applicant.

F. SAB Extensions into Unserved Area; Shared Service on a Secondary Basis

17. Since 2004, the Commission has permitted Cellular licensees to extend their SABs into adjacent Unserved Area and provide service on a secondary basis without first filing a major modification application seeking prior Commission approval, so long as the extension is less than 50 square miles. In such instances, the licensee has been required to file only a notification upon commencing service on a secondary (i.e., an unlicensed, unprotected) basis. A licensee seeking to claim the area as part of its CGSA (i.e., for primary, protected service) is required to submit a major modification application subject to a 30-day public comment period, no matter how small the area. The 2004 relaxation of the prior approval requirement in such circumstances was designed to provide licensees with additional flexibility to respond to operational demands immediately in a manner that remained consistent with site-based licensing rules.

18. As explained in the preceding section, to balance the concerns of smaller, more rural carriers and large carriers alike, the Commission adopts revised Cellular rules based on a geographic licensing model while also preserving certain elements of the existing site-based model, including the continued ability to expand CGSAs into Unserved Area so long as the proposed expansion area is at least 50 contiguous square miles. A high volume of applications under current Cellular rules are to make improvements in response to technological changes, demographic changes, and consumer demand that change the CGSA boundary by an extremely small amount. The Commission finds that it serves the public interest to permit continued access to these small parcels of Unserved Area, but the Commission recognizes that filings associated with minor system changes that expand service into these small parcels often constitute

hindrances to system improvements.

19. The Commission declines to adopt commenters' unsupported proposals to permit Cellular incumbents simply to absorb small parcels of Unserved Area into their existing CGSAs, even when bordered on all sides by only one incumbent. The Commission finds these proposals to be inconsistent with Commission precedent. Consistent, however, with the approach the Commission adopts in this R&O to increase flexibility to make changes to an existing system without Commission filings, the Commission finds it serves the public interest to permit incumbents to extend their SABs (as calculated under 47 CFR 22.911) into adjacent Unserved Area parcels that are less than 50 contiguous square miles and provide service coverage on a secondary basis indefinitely and without any filings with the Commission. The Commission clarifies that this is applicable whether the SAB extension is the result of an added transmitter, modification of a cell site, or both. A licensee extending its SAB into an Unserved Area parcel of less than 50 contiguous square miles must: (1) pursuant to 47 CFR 22.983 that the Commission adopts in this R&O, comply with the 40 dBµV/m field strength limit at the boundary of the neighboring co-channel licensee's CGSA or negotiate a different field strength limit; (2) accept interference from other Cellular systems; and (3) avoid causing harmful interference to any neighboring co-channel licensee's CGSA. To the extent that more than one incumbent borders and wishes to serve the same Unserved Area parcel less than 50 contiguous square miles, such incumbents will be required to provide service in that parcel on a shared secondary (unprotected) basis only. The Commission finds that these revisions serve the public interest and further the Commission's goals in this proceeding.

G. Submission of Maps

20. In the <u>2012 NPRM</u>, the Commission noted that, pursuant to delegated authority and rules adopted in the ULS proceeding to eliminate paper filings, the Bureau had announced optional electronic filing of CGSA map files in lieu of the large-scale (1:500,000 scale) paper

CGSA maps required to be submitted with certain Cellular applications. The Commission also reaffirmed the Bureau's delegated authority to determine and announce the effective date of mandatory electronic filing of such maps, with instructions for the public regarding access to such submissions. The Bureau continued its voluntary policy to allow all Cellular licensees, including the smaller carriers, time to explore and choose appropriate software for their electronic map filings. The 2012 NPRM anticipated mandatory electronic filing and sought comment on proposed rules incorporating this requirement.

21. Nearly all large-scale CGSA maps are now submitted by applicants electronically in ULS. The Commission finds that, in conjunction with the numerous other changes adopted in the R&O to modernize the Cellular rules, it is appropriate to adopt final rules that require mandatory electronic filing of map files (rather than the large-scale paper CGSA maps) in GIS format with any Cellular applications that require maps. The Commission will continue to accept and preserve large-scale paper maps filed prior to the effective date of the electronic filing requirement that the Commission adopts in this R&O. Thereafter, the Commission will not accept paper maps with Cellular applications unless it finds that a large-scale paper map is necessary to review and act on a particular application and requests such a submission.

Applications that do not comply with the new requirement will either be returned to the applicant or dismissed.

H. Elimination of Certain Application Content Requirements

22. In an effort to streamline and modernize the Cellular Service-specific rules in Subpart H as well as certain Part 1 and other Part 22 rules applicable to Cellular licensing, the Commission proposed in the 2012 NPRM numerous rule deletions and changes to current requirements. The Commission specifically indicated that, in the future, certain information and exhibits currently required pursuant to 47 CFR 22.929 and 22.953(a) would not be routinely required by the Commission's engineering staff in their review of Cellular new-system and modification applications, and therefore proposed streamlining the information requirements in

those rules.

- 23. Based on the record and consistent with the Commission's regulatory reform agenda, the Commission finds that it serves the public interest to adopt revised provisions to minimize the content requirements for Cellular applications. Specifically, the Commission adopts the proposal to delete 47 CFR 22.929 and consolidate application requirements into a single revised and streamlined rule, 47 CFR 22.953, such that applicants for new systems or system modifications will no longer be required routinely to submit the following information in their exhibits: height of the center of radiation of the antenna above average terrain; antenna gain in the maximum lobe; antenna model; antenna manufacturer name; antenna type; antenna height to tip above ground level; maximum effective radiated power; beam-width of the maximum lobe of the antenna; polar plot of the horizontal gain pattern of the antenna; electrical field polarization of the wave emitted by the antenna when installed as proposed; channel plan; service proposal; Cellular design; blocking level; start-up expenses; and interconnection.
- 24. In light of technological advances and maturity of the Cellular Service, the Commission finds that the information and technical exhibits identified above are either no longer routinely necessary for Commission staff in reviewing Cellular applications or can be accessed elsewhere. By eliminating all 16 of these requirements for routine review, the Commission is alleviating to a significant degree the resources that licensees will need to expend on Cellular applications. The Commission concludes that such streamlining and modernization of the current rules serves the public interest.

I. Mutually Exclusive Applications in the Cellular Service

- 1. Initial License for Chambers, Texas Market (CMA672-A)
- 25. Block A of the Chambers, Texas CMA (CMA672-A) ("Chambers") is the only CMA in the country for which a Cellular initial primary license has never been issued, and AT&T Mobility of Galveston LLC ("AT&T Galveston") holds an interim operating authorization not a permanent license and provides Cellular service to nearly all of the area under Call Sign

KNKP971. The Commission proposed that the entire CMA672-A be licensed on a geographic area basis by auction, with specified build-out benchmarks.

26. In light of the Commission's decision in this R&O to adopt a geographic-based licensing model for the Cellular Service, the Commission finds it appropriate to adopt the Commission's proposal regarding the Chambers license, with a few clarifications. The current rules provide for the acceptance of mutually exclusive applications for the initial license for Chambers, which would be resolved by competitive bidding pursuant to section 309(j) of the Communications Act of 1934, as amended. Accordingly, the Wireless Telecommunications Bureau ("Bureau") will accept applications for a CMA-based initial primary license for Chambers, consistent with initial licensing of other CMA Blocks that have been subject to competitive bidding where mutually exclusive applications have been accepted. The Commission finds that it serves the public interest to adopt the proposed geographic coverage build-out requirements, rather than subjecting the new Chambers licensee to the legacy five-year and Unserved Area licensing build-out/application processes. The Chambers licensee will therefore be required to provide signal coverage and offer service over at least 35% of the geographic area of CMA672-A within four years of initial license grant, and to at least 70% of that same area by the end of the license term, as set forth in new 47 CFR 22.960 that the Commission adopts in this R&O. As proposed, for purposes of this geographic benchmark, the licensee is to count total land, and failure to meet these coverage benchmarks will result in automatic termination of the license and its return to the Commission for re-licensing by auction. Any licensee that so fails to meet these benchmarks will not be eligible to regain the Chambers license. The Commission emphasizes that the holder of the interim operating authorization (currently AT&T Galveston) does not have primary authority to operate and would not be afforded incumbent status entitled to protection from the Chambers licensee.

27. The performance obligations for the Chambers license are consistent with those for

geographic area licenses in certain other services similarly issued through competitive bidding. Accordingly, consistent with its regulatory reform agenda and as proposed, the Commission finds that it serves the public interest to eliminate – or, where appropriate, update – the numerous existing provisions pertaining to or referencing the legacy build-out periods for the Cellular Service throughout Parts 1 and 22 of the Commission's rules. The Commission discusses these specific rule changes further below.

- 28. Moreover, the Commission concludes that it is appropriate to deem the boundary of CMA672-A as the CGSA boundary of the Chambers licensee. Neighboring co-channel licensees will not be permitted to claim as CGSA any area within CMA672-A, even if not built out by the Chambers licensee by the end of the initial license term. The Chambers licensee will be permitted to claim, as a CGSA expansion, Unserved Area in a neighboring CMA, provided that it has first met all of its build-out requirements in CMA672-A by the end of the initial license term. Any such CGSA expansion area will not, however, remain part of the Chambers license in the event the Chambers license is automatically terminated by Commission rule or revoked for any reason, in which case the area within CMA672-A will revert to the Commission for re-licensing by auction, while the CGSA expansion area will revert to the Commission for re-licensing pursuant to the Unserved Area licensing rules.
- 29. With respect to licensee protection requirements, pursuant to the field strength limit rule the Commission adopts in this <u>R&O</u>, the Commission clarifies that the Chambers licensee will have the flexibility to construct anywhere within CMA672-A subject to Cellular Service technical requirements, but must comply with the 40 dB μ V/m field strength limit at the CGSA boundaries of neighboring co-channel licensees, unless a different limit is negotiated. Further, consistent with the new Cellular field strength limit rule and with protection requirements in other geographic-based wireless services, a neighboring co-channel Cellular licensee must comply with the 40 dB μ V/m field strength limit at the Chambers licensed area boundary (i.e., the boundary of

CMA672-A), regardless of whether the Chambers licensee is yet operating near the border of CMA672-A, or else negotiate a different limit.

30. The Commission concludes that this approach provides the most efficient and effective means to foster the provision of additional advanced wireless service by a primary licensee to this Texas market and serves the public interest. In the event that mutually exclusive applications are accepted for this license, the Commission concludes that new 47 CFR 22.961, which the Commission adopts in this <u>R&O</u> consistent with the Commission's proposal in the <u>2012 NPRM</u>, shall govern. The Commission directs the Bureau to proceed, within a reasonable time following the effective date of the final rules the Commission adopts in this <u>R&O</u>, to release the appropriate public notice(s) to implement its decision regarding the Chambers license.

2. Mutually Exclusive CGSA Expansion Applications

31. The Commission emphasizes that, with this <u>R&O</u>, the Commission is not eliminating the existing prohibition on CGSA overlaps. Accordingly, whenever CGSA-expansion or newsystem CGSA applications are mutually exclusive with other pending proposed operations, they will continue to be set for resolution by competitive bidding in a closed auction unless the competing applicants are able to resolve the mutual exclusivity beforehand (for example, through settlement) in accordance with the Commission's rules. Consistent with the Commission's proposals in the <u>2012 NPRM</u>, the Commission adopts new 47 CFR 22.961 not only to govern the Chambers license, but also mutually exclusive Cellular Unserved Area applications, and the Commission consolidates into 47 CFR 22.961 certain other rules to eliminate redundancy and obsolescence in provisions addressing mutually exclusive Cellular Service applications.

J. Other Amendments; Non-relocation of Rules

32. In this section, the Commission explains various other changes to its rules in Part 22, Subpart H, and provisions found elsewhere in Part 22 as well as in Part 1. The Commission urges all parties to review and become familiar with all final rules the Commission adopts in the <u>R&O</u>

in this proceeding, including the new and revised terms and definitions, all as set forth in Appendix A of this <u>R&O</u> and which will take effect as specified in the pertinent Ordering Clauses.

1. Obsolete or Outdated Terminology and Provisions

- 33. As stated above in the context of its decision concerning the Chambers license, obsolete and outdated terms are pervasive in the current rules applicable to the Cellular Service. Consistent with the Commission's proposal in the 2012 NPRM, a number of revised rules are being adopted in this R&O solely to bring the rules up to date by eliminating legacy terminology and cross-references, and by replacing outdated terms. In addition, the Commission adopts revisions here to conform certain rules in Parts 1 and 22 to the other rule changes the Commission adopts, as described above in this R&O.
- 34. Specifically, the Commission is deleting rules and adopting revised rules as follows: 47 CFR 1.929(b) (revised); 47 CFR 22.99 (deleting defined terms "Build-out transmitters," "Five-year build-out period," and "Partitioned Cellular market," revising slightly the definitions for "Cellular Geographic Service Area," "Extension," and "Unserved Area," and adding and defining the term "Cellular Market Area"); 47 CFR 22.131 (revising paragraphs (c)(3)(iii) and (d)(2)(iv)); 47 CFR 22.143 (revising paragraph (a)); 47 CFR 22.909 (revised); 47 CFR 22.911(deleting paragraph (c) and revising paragraph (e)); 47 CFR 22.912 (revised); 47 CFR 22.946 (revised); 47 CFR 22.947 (deleted); 47 CFR 22.948 (revised); and 47 CFR 22.949 (revised). The Commission also proposed to delete 47 CFR 1.919(c) governing the reporting of Cellular cross-ownership interests, which is obsolete because the reporting requirement has sunset. Accordingly, the Commission deletes 47 CFR 1.919(c) as proposed. The Commission finds that adopting these rule changes serves the public interest and advances the Commission's regulatory reform agenda.

2. AMPS-related Data Collection

35. The Commission noted in the <u>2012 NPRM</u> that, with sunset of the requirement to provide analog Cellular service, all of 47 CFR 22.901(b) had been rendered moot. Stating its belief that all Cellular licensees have had ample time to make their choice and file either the one-time AMPS sunset certification or the appropriate revised CGSA showing, the Commission proposed to terminate its collection of such certifications and to delete 47 CFR 22.901(b). Based on the record, the Commission finds that it serves the public interest to adopt revised 47 CFR 22.901, deleting paragraph (b) of the rule as proposed. As of the effective date of revised 47 CFR 22.901 that the Commission adopts in this <u>R&O</u>, the Commission will cease collecting AMPS sunset certifications from Cellular licensees.

3. Correction of Section 1.958(d)

36. The Commission proposed in the <u>2012 NPRM</u> to correct a clerical error in the distance computation formula in 47 CFR 1.958(d) – an error that was introduced in the process of moving the provision containing the formula from Part 22 (then 47 CFR 22.157) to Subpart F of Part 1 of its rules. The error in this distance computation formula was inadvertent, and correction is obviously warranted. Accordingly, the Commission adopts the corrected rule as proposed.

4. Non-relocation of Part 22 Cellular and Part 24 PCS Rules to Part 27

37. The Commission invited comment in the <u>2012 NPRM</u> on whether the revised Cellular Service-specific rules should be incorporated into Part 27. The Commission further suggested that, if the revised Cellular Service rules were to be moved into Part 27, then the rules for the Part 24 PCS, should also be moved into Part 27, and sought comment on optimal timing and whether a separate rulemaking should be launched to address any such relocations. The Commission concludes that relocating the Part 22, Subpart H Cellular Service rules is not appropriate. Moreover, the Commission also concludes that it is not appropriate to further

consider relocation of the Part 24 PCS rules in this proceeding.

K. Gulf of Mexico Service Area

38. The Commission proposed in the <u>2012 NPRM</u> generally to exempt the Gulf from the licensing revisions being considered, except that it proposed to subject Gulf licensees to the same field strength limit as all other Cellular licensees and also to certain rule changes designed to update and streamline the Cellular licensing regime. The Commission has already described, earlier in this <u>R&O</u>, its decision regarding field strength limit and the related issue of contractually negotiated SAB extensions with respect to the Gulf. The Commission concludes that, to the extent Gulf licensees are subject to Unserved Area licensing procedures under the current rules, consistent with the proposal in the <u>2012 NPRM</u>, it serves the public interest that Gulf licensees not be exempt from the revised rules and procedures that the Commission adopts in this <u>R&O</u> to modernize and streamline the Cellular Unserved Area licensing model. This does not disrupt the Gulf regime.

L. Freeze Order Lifted and Related Interim Procedures Terminated

39. To permit the orderly and effective resolution of the changes and issues raised in the 2012 NPRM, and consistent with numerous prior proceedings, the Commission adopted a companion Order imposing a freeze on the acceptance of certain Cellular applications and imposing other interim procedures. The freeze and related interim procedures were very limited so as to permit continued expansion of service to consumers by incumbents but nonetheless help the Commission identify Unserved Area in substantially licensed CMA Blocks for purposes of conducting the proposed overlay auction. Although the Commission is not concluding this proceeding with this R&O, the Commission finds that it no longer serves the goals of this proceeding or the public interest to continue the freeze or the interim procedures. Accordingly, the freeze and the interim procedures that were imposed will no longer be in force as of the date specified in the pertinent Ordering Clause.

III. Procedural Matters

A. Paperwork Reduction Act Analysis

40. Three of the rule amendments adopted by this R&O – 47 CFR 22.165(e), 22.948, and 22.953 – contain modified information collection requirements subject to the Paperwork Reduction Act of 1995 ("PRA"), Public Law 104-13. Those rule amendments will be submitted to the Office of Management and Budget ("OMB") for review under section 3507(d) of the PRA. OMB, the general public, and other Federal agencies will be invited to comment on the modified information collection requirements. In addition, the Commission notes that pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107-198, see 44 USC 3506(c)(4), the Commission previously sought specific comment on how the Commission might further reduce the information collection burden for small business concerns with fewer than 25 employees. The Commission has assessed the effects on small business concerns of the rule changes it is adopting by this R&O and finds that businesses with fewer than 25 people will benefit from the elimination of certain filing requirements as well as from the streamlining and updating of various requirements applicable to all Cellular licensees

B. Congressional Review Act

41. The Commission will send a copy of this <u>R&O</u> to Congress and the Government Accountability Office pursuant to the Congressional Review Act.

C. Final Regulatory Flexibility Analysis

42. The Regulatory Flexibility Act of 1980 ("RFA") requires that an agency prepare a regulatory flexibility analysis for notice and comment rulemakings, unless the agency certifies that "the rule will not, if promulgated, have a significant economic impact on a substantial number of small entities." Accordingly, the Commission has prepared a Final Regulatory Flexibility Analysis ("FRFA"), set forth in Appendix C of the <u>R&O</u>, concerning the possible impact of the rule changes contained in the R&O.

D. Ex Parte Presentations

- 43. Permit-But-Disclose. The Commission will continue to treat this proceeding as a "permit-but-disclose" proceeding in accordance with the Commission's exparte rules. Persons making presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral ex parte presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the ex parte presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during ex parte meetings are deemed to be written ex parte presentations and must be filed consistent with rule 1.1206(b). In proceedings governed by rule 1.49(f) or for which the Commission has made available a method of electronic filing, written ex parte presentations and memoranda summarizing oral ex parte presentations, and all attachments thereto, must be filed through the Commission's Electronic Comment Filing System ("ECFS") available for that proceeding, and must be filed in their native format (e.g., .doc, .xml, .ppt, searchable .pdf).
- 44. <u>People with Disabilities</u>. To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to <u>fcc504@fcc.gov</u> or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

IV. ORDERING CLAUSES

- 45. Accordingly, IT IS ORDERED, pursuant to Sections 1, 2, 4(i), 4(j), 7, 301, 302, 303, 307, 308, 309, and 332 of the Communications Act of 1934, as amended, 47 USC 151, 152, 154(i), 154(j), 157, 301, 302, 303, 307, 308, 309, and 332, that this REPORT AND ORDER in WT Docket No. 12-40 IS ADOPTED.
- 46. IT IS FURTHER ORDERED that Parts 1 and 22 of the Commission's rules, 47 CFR Parts 1 and 22, ARE AMENDED, as specified in Appendix A, effective 30 days after publication in the <u>Federal Register</u> except as otherwise provided herein. It is the Commission's intention in adopting these rule changes that if any provision of the rules, or the application thereof to any person or circumstance, is held to be unlawful, the remaining portions of the rules not deemed unlawful, and the application of such rules to other persons or circumstances, shall remain in effect to the fullest extent permitted by law.
- 47. IT IS FURTHER ORDERED that the amendments adopted in the REPORT AND ORDER, and specified in Appendix A, to Sections 22.165(e), 22.948, and 22.953 of the Commission's rules, 47 CFR 22.165(e), 22.948, and 22.953, which contain modified information collection requirements that require approval by the Office of Management and Budget under the Paperwork Reduction Act, WILL BECOME EFFECTIVE after the Commission publishes a notice in the Federal Register announcing such approval and the relevant effective date.
- 48. IT IS FUTHER ORDERED that, effective 30 days after publication in the <u>Federal</u> Register of a summary of this REPORT AND ORDER, the freeze and interim procedures that were imposed as of the adoption date of the 2012 Notice of Proposed Rulemaking and Order in this WT Docket No. 12-40 WILL NO LONGER BE IN EFFECT.
- 49. IT IS FURTHER ORDERED that, pursuant to Section 801(a)(1)(A) of the Congressional Review Act, 5 USC 801(a)(1)(A), the Commission SHALL SEND a copy of this REPORT AND ORDER to Congress and to the Government Accountability Office.
- 50. IT IS FURTHER ORDERED that the Commission's Consumer and Governmental Affairs Bureau, Reference Information Center, SHALL SEND a copy of this REPORT AND

ORDER, including the Final Regulatory Flexibility Analysis, to the Chief Counsel for Advocacy of the Small Business Administration.

List of Subjects

47 CFR Part 1

Telecommunications, Reporting and recordkeeping requirements.

47 CFR Part 22

Communications common carriers, Reporting and recordkeeping requirements.

FEDERAL COMMUNICATIONS COMMISSION

Marlene H. Dortch, Secretary.

Final Rules

For the reasons discussed in the preamble, the Federal Communications Commission amends 47 CFR parts 1 and 22 as follows:

PART 1 – PRACTICE AND PROCEDURE

1. The authority citation for part 1 continues to read as follows:

Authority: 15 USC 79 et seq.; 47 USC 151, 154(i), 154(j), 155, 157, 225, 227, 303(r), 309, 1403, 1404, 1451, and 1452.

2. Section 1.919 is amended by removing and reserving paragraph (c) to read as follows:

§ 1.919 Ownership information.

* * * * *

(c) [Reserved]

* * * * *

3. Section 1.929 is amended by revising paragraph (b) to read as follows:

§ 1.929 Classification of filings as major or minor.

* * * * *

- (b) In addition to those changes listed in paragraph (a) of this section, the following are major changes in the Cellular Radiotelephone Service:
- (1) Application requesting authorization to expand the Cellular Geographic Service Area (CGSA) of an existing Cellular system or, in the case of an amendment, as previously proposed in an application to expand the CGSA; or
- (2) Application or amendment requesting that a CGSA boundary or portion of a CGSA boundary be determined using an alternative method.
- (3) [Reserved]

* * * * *

4. Section 1.958 is amended by revising paragraph (d) to read as follows:

§ 1.958 Distance computation.

* * * * *

(d) Calculate the number of kilometers per degree of longitude difference for the mean geodetic latitude calculated in paragraph (b) of this section as follows:

 $KPD_{lon} = 111.41513 \cos ML - 0.09455 \cos 3ML + 0.00012 \cos 5ML$

* * * * *

PART 22 – PUBLIC MOBILE SERVICES

5. The authority citation for part 22 continues to read as follows:

Authority: 47 U.S.C. 154, 222, 303, 309 and 332.

- **6.** Section 22.99 is amended by:
 - a. Removing the definitions of "Build-out transmitters," "Five year build-out period," "Partitioned Cellular market", and "Unserved Areas".
 - b. Revising the definitions of "Cellular Geographic Service Area," "Cellular markets" and "Extension".
 - c. Adding the new definitions, "Cellular Market Area" and "Unserved Area".

The additions and revisions read as follows:

§ 22.99 Definitions.

* * * * *

<u>Cellular Geographic Service Area (CGSA)</u>. The licensed geographic area within which a Cellular system is entitled to protection and adverse effects are recognized, for the purpose of determining whether a petitioner has standing, in the Cellular Radiotelephone Service, and within which the Cellular licensee is permitted to transmit, or consent to allow other Cellular licensees to transmit,

electromagnetic energy and signals on the assigned channel block, in order to provide Cellular service. See § 22.911.

* * * * *

<u>Cellular Market Area (CMA)</u>. A standard geographic area used by the FCC for administrative convenience in the licensing of Cellular systems; a more recent term for "Cellular market" (and includes Metropolitan Statistical Areas (MSAs) and Rural Service Areas (RSAs)). <u>See</u> § 22.909.

<u>Cellular markets</u>. This term is obsolescent. <u>See</u> definition for "Cellular Market Area (CMA)."

* * * * *

Extension. In the Cellular Radiotelephone Service, an area within the service area boundary (calculated using the methodology of § 22.911) of a Cellular system but outside the licensed Cellular Geographic Service Area boundary. See §§ 22.911 and 22.912.

* * * * *

<u>Unserved Area</u>. With regard to a channel block allocated for assignment in the Cellular Radiotelephone Service: Geographic area in the District of Columbia, or any State, Territory or Possession of the United States of America that is not within any Cellular Geographic Service Area of any Cellular system authorized to transmit on that channel block. With regard to a channel allocated for assignment in the Paging and Radiotelephone service: Geographic area within the District of Columbia, or any State, Territory or possession of the United States of America that is not within the service contour of any base transmitter in any station authorized to transmit on that channel.

7. Section 22.131 is amended by revising paragraphs (c)(3)(iii) and (d)(2)(iv) to read as follows:

§ 22.131 Procedures for mutually exclusive applications.

* * * * *

(c) * * *

(3) ****

(iii) If all of the mutually exclusive applications filed on the earliest filing date are applications for initial authorization, a 30-day notice and cut-off filing group is used.

* * * * *

- (d) ***
- (2) ***
- (iv) Any application to expand the Cellular Geographic Service Area of an existing Cellular system. See § 22.911.

* * * * *

8. Section 22.143 is amended by revising paragraph (a) to read as follows:

§ 22.143 Construction prior to grant of application.

* * * * *

(a) When applicants may begin construction. An applicant may begin construction of a facility 35 days after the date of the Public Notice listing the application for that facility as acceptable for filing.

* * * * *

9. Section 22.165 is amended by revising paragraph (e) to read as follows:

§ 22.165 Additional transmitters for existing systems.

* * * * *

(e) <u>Cellular Radiotelephone Service</u>. The service area boundaries (SABs) of the additional transmitters, as calculated by the method set forth in § 22.911(a), must not cause an expansion of the Cellular Geographic Service Area (CGSA), and must not extend outside the CGSA boundary into Unserved Area unless such extension is less than 130 contiguous square kilometers (50 contiguous square miles). The licensee must seek prior approval (using FCC Form 601) regarding any transmitters to be added under this section that would cause an expansion of the

CGSA, or an SAB extension of 130 contiguous square kilometers (50 contiguous square miles) or more, into Unserved Area. See §§ 22.912, 22.953.

* * * * *

§ 22.228 [Removed]

- **10.** Remove § 22.228.
- 11. Revise § 22.901 to read as follows:

§ 22.901 Cellular service requirements and limitations.

The licensee of each Cellular system is responsible for ensuring that its Cellular system operates in compliance with this section. Each Cellular system must provide either mobile service, fixed service, or a combination of mobile and fixed service, subject to the requirements, limitations and exceptions in this section. Mobile service provided may be of any type, including two-way radiotelephone, dispatch, one-way or two-way paging, and personal communications services (as defined in part 24 of this chapter). Fixed service is considered to be primary service, as is mobile service. When both mobile and fixed services are provided, they are considered to be co-primary services. In providing Cellular service, each Cellular system may incorporate any technology that meets all applicable technical requirements in this part.

12. Section 22.909 is amended by revising the introductory text to read as follows:

§ 22.909 Cellular Market Areas (CMAs).

Cellular Market Areas (CMAs) are standard geographic areas used by the FCC for administrative convenience in the licensing of Cellular systems. CMAs comprise Metropolitan Statistical Areas (MSAs) and Rural Service Areas (RSAs). All CMAs and the counties they comprise are listed in: "Common Carrier Public Mobile Services Information, Cellular MSA/RSA Markets and Counties," Public Notice, Rep. No. CL–92–40, 7 FCC Rcd 742 (1992).

* * * * *

13. Section 22.911 is amended by revising the introductory text of paragraph (a), by removing and reserving paragraph (c), and by revising paragraphs (d) and (e) to read as follows:

§ 22.911 Cellular geographic service area.

* * * * *

(a) <u>CGSA determination</u>. The CGSA is the composite of the service areas of all of the cells in the system, excluding any Unserved Area (even if it is served on a secondary basis) or area within the CGSA of another Cellular system. The service area of a cell is the area within its service area boundary (SAB). The distance to the SAB is calculated as a function of effective radiated power (ERP) and antenna center of radiation height above average terrain (HAAT), height above sea level (HASL), or height above mean sea level (HAMSL).

* * * * *

- (c) [Reserved]
- (d) <u>Protection afforded</u>. Cellular systems are entitled to protection only within the CGSA (as determined in accordance with this section) from co-channel and first-adjacent channel interference and from capture of subscriber traffic by adjacent systems on the same channel block. Licensees must cooperate in resolving co-channel and first-adjacent channel interference by changing channels used at specific cells or by other technical means.
- (e) <u>Unserved Area</u>. Unserved Area is area outside of all existing CGSAs on either of the channel blocks, to which the Communications Act of 1934, as amended, is applicable.
 - **14.** Revise § 22.912 to read as follows:

§ 22.912 Service area boundary extensions.

This section contains rules governing service area boundary (SAB) extensions. SAB extensions are areas (calculated using the methodology of § 22.911) that extend outside of the licensee's Cellular Geographic Service Area (CGSA) boundary into Unserved Area or into the

CGSA of a neighboring co-channel licensee. Service within SAB extensions is not protected from interference or capture under § 22.911(d) unless and until the area within the SAB extension becomes part of the CGSA in compliance with all applicable rules.

- (a) Extensions into Unserved Area. Subject to paragraph (c) of this section, the licensee of a Cellular system may, at any time, extend its SAB into Unserved Area and provide service on a secondary basis only, provided that the extension area comprises less than 130 contiguous square kilometers (50 contiguous square miles). If more than one licensee of a Cellular system extends into all or a portion of the same Unserved Area under this section, all such licensees may provide service in such Unserved Area on a shared secondary (unprotected) basis only.
- (b) <u>Contract extensions</u>. The licensee of any Cellular system may, at any time, enter into a contract with an applicant for, or a licensee of, a Cellular system on the same channel block to allow one or more SAB extensions into its CGSA (not into Unserved Area).
- (c) <u>Gulf of Mexico Service Area</u>. Land-based Cellular system licensees may not extend their SABs into the Gulf of Mexico Exclusive Zone (GMEZ) absent written contractual consent of the co-channel GMEZ licensee. GMEZ licensees may not extend their SABs into the CGSA of a licensee on the same channel block in an adjacent CMA or the Gulf of Mexico Coastal Zone absent written contractual consent of the co-channel licensee.

§ 22.929. [Removed and Reserved]

- **15.** Remove and reserve § 22.929.
- **16.** Revise § 22.946 to read as follows:

§ 22.946 Construction period for Unserved Area authorizations.

The construction period applicable to new or modified Cellular facilities for which an authorization is granted pursuant to the Unserved Area process is one year, beginning on the date the authorization is granted. To satisfy this requirement, a Cellular system must be providing service to mobile stations operated by subscribers and roamers. The licensee must notify the FCC

(FCC Form 601) after the requirements of this section are met. See § 1.946 of this chapter. See also § 22.949.

§ 22.947 [Removed and Reserved]

- **17.** Remove and reserve § 22.947.
- **18.** Revise § 22.948 to read as follows:

§ 22.948 Geographic partitioning and spectrum disaggregation; spectrum leasing.

Cellular licensees may apply to partition any portion of their licensed Cellular Geographic Service Area (CGSA) or to disaggregate their licensed spectrum at any time following the grant of their authorization(s). Parties seeking approval for partitioning and disaggregation shall request from the FCC an authorization for partial assignment of a license pursuant to § 1.948 of this chapter. See also paragraph (d) of this section regarding spectrum leasing.

- (a) Partitioning, disaggregation, or combined partitioning and disaggregation. Applicants must file FCC Form 603 ("Assignment of Authorization and Transfer of Control") pursuant to § 1.948 of this chapter, as well as GIS map files and a reduced-size PDF map pursuant to § 22.953 for both the assignor and assignee.
- (b) <u>Field strength limit</u>. For purposes of partitioning and disaggregation, Cellular systems must be designed so as to comply with § 22.983.
- (c) <u>License term</u>. The license term for a partitioned license area and for disaggregated spectrum will be the remainder of the original license term.
- (d) Spectrum leasing. Cellular spectrum leasing is subject to all applicable provisions of subpart X of part 1 of this chapter as well as the provisions of paragraph (a) of this section, except that applicants must file FCC Form 608 ("Application or Notification for Spectrum Leasing Arrangement or Private Commons Arrangement"), not FCC Form 603.
- 19. Revise § 22.949 to read as follows:

§ 22.949 Unserved Area licensing; minimum coverage requirements.

- (a) The Unserved Area licensing process described in this section is on-going and applications may be filed at any time, subject to the following coverage requirements:
- (1) Applicants for authority to operate a new Cellular system or expand an existing Cellular Geographic Service Area (CGSA) in Unserved Area must propose a CGSA or CGSA expansion of at least 130 contiguous square kilometers (50 contiguous square miles) using the methodology of § 22.911.
- (2) Applicants for authority to operate a new Cellular system must not propose coverage of water areas only (or water areas and uninhabited islands or reefs only), except for Unserved Area in the Gulf of Mexico Service Area.
- (b) There is no limit to the number of Unserved Area applications that may be granted on each channel block of each CMA that is subject to the procedures of this section. Consequently, Unserved Area applications are mutually exclusive only if the proposed CGSAs would overlap. Mutually exclusive applications are processed using the general procedures under § 22.131.
- (c) Unserved Area applications under this section may propose a CGSA covering more than one CMA. Each Unserved Area application must request authorization for only one CGSA and must not propose a CGSA overlap with an existing CGSA.
- (d) Settlements among some, but not all, applicants with mutually exclusive applications for Unserved Area (partial settlements) under this section are prohibited. Settlements among all applicants with mutually exclusive applications under this section (full settlements) are allowed and must be filed no later than the date that the FCC Form 175 (short-form) is filed.
 - **20.** Section 22.950 is amended by revising paragraphs (c) and (d) to read as follows:

§ 22.950 Provision of service in the Gulf of Mexico Service Area (GMSA).

* * * * *

(c) <u>Gulf of Mexico Exclusive Zone (GMEZ)</u>. GMEZ licensees have an exclusive right to provide Cellular service in the GMEZ, and may add, modify, or remove facilities anywhere

within the GMEZ without prior FCC approval. There is no Unserved Area licensing procedure for the GMEZ.

(d) <u>Gulf of Mexico Coastal Zone (GMCZ)</u>. The GMCZ is subject to the Unserved Area licensing procedures set forth in § 22.949.

§ 22.951 [Removed and Reserved]

- **21.** Remove and reserve § 22.951.
- 22. Section 22.953 is revised to read as follows:

§ 22.953 Content and form of applications for Cellular Unserved Area authorizations.

Applications for authority to operate a new Cellular system or to modify an existing Cellular system must comply with the specifications in this section.

- (a) New Systems. In addition to information required by subpart B of this part and by FCC Form 601, applications for an Unserved Area authorization to operate a Cellular system must comply with all applicable requirements set forth in part 1 of this chapter, including the requirements specified in §§ 1.913, 1.923, and 1.924, and must include the information listed below. Geographical coordinates must be correct to ±1 second using the NAD 83 datum.
- (1) Exhibit I—Geographic Information System (GIS) map files. Geographic Information System (GIS) map files must be submitted showing the entire proposed CGSA, the new cell sites (transmitting antenna locations), and the service area boundaries of additional and modified cell sites that extend into Unserved Area being claimed as CGSA. See § 22.911. The FCC will specify the file format required for the GIS map files, which are to be submitted electronically via the Universal Licensing System (ULS).
- (2) Exhibit II—Reduced-size PDF map. This map must be $8\frac{1}{2} \times 11$ inches (if possible, a proportional reduction of a 1:500,000 scale map). The map must have a legend, a distance scale, and correctly labeled latitude and longitude lines. The map must be clear and legible. The map must accurately show the entire proposed CGSA, the new cell sites (transmitting antenna

locations), the service area boundaries of additional and modified cell sites that extend beyond the CGSA, and the relevant portions of the CMA boundary. See § 22.911.

- (3) Exhibit III—Technical Information. In addition, upon request by an applicant, licensee, or the FCC, a Cellular applicant or licensee of whom the request is made shall furnish the antenna type, model, the name of the antenna manufacturer, antenna gain in the maximum lobe, the beam width of the maximum lobe of the antenna, a polar plot of the horizontal gain pattern of the antenna, antenna height to tip above ground level, the height of the center of radiation of the antenna above the average terrain, the maximum effective radiated power, and the electric field polarization of the wave emitted by the antenna when installed as proposed to the requesting party within ten (10) days of receiving written notification.
 - (4) (10) [Reserved]
- (11) <u>Additional information</u>. The FCC may request information not specified in FCC Form 601 or in paragraphs (a)(1) through (a)(3) of this section as necessary to process an application.
- (b) Existing systems major modifications. Licensees making major modifications pursuant to § 1.929(a) and (b) of this chapter must file FCC Form 601 and comply with the requirements of paragraph (a) of this section.
- (c) Existing systems minor modifications. Licensees making minor modifications pursuant to § 1.929(k) of this chapter, must file FCC Form 601 or FCC Form 603. See also § 22.169. If the modification involves a contract SAB extension into or from the Gulf of Mexico Exclusive Zone, it must include a certification that the required written consent has been obtained. See § 22.912(c).
 - 23. Revise § 22.960 to read as follows:

§ 22.960 Cellular operations in the Chambers, TX CMA (CMA672-A).

This section applies only to Cellular systems operating on channel block A of the Chambers, Texas CMA (CMA672-A).

- (a) The geographic boundary of CMA672-A is deemed to be the Cellular Geographic Service Area (CGSA) boundary. This CGSA boundary is not determined using the methodology of § 22.911. The licensee of CMA672-A may not propose an expansion of this CGSA into another CMA unless and until it meets the construction requirement set forth in paragraph (b)(2) of this section.
- (b) A licensee that holds the license for CMA672-A must be providing signal coverage and offering service as follows (and in applying these geographic construction benchmarks, the licensee is to count total land area):
- (1) To at least 35% of the geographic area of CMA672-A within four years of the grant of such authorization; and
- (2) To at least 70% of the geographic area of its license authorization by the end of the license term.
- (c) After it has met each of the requirements of paragraphs (b)(1) and (b)(2), respectively, of this section, the licensee that holds the license for CMA672-A must notify the FCC that it has met the requirement by submitting FCC Form 601, including GIS map files and other supporting documents showing compliance with the requirement. See § 1.946 of this chapter. See also § 22.953.
- (d) Failure to meet the construction requirements set forth in paragraphs (b)(1) and (b)(2) of this section by each of the applicable deadlines will result in automatic termination of the license for CMA672-A and its return to the Commission for future re-licensing subject to competitive bidding procedures. The licensee that fails to meet each requirement of this section by the applicable deadline set forth in paragraphs (b)(1) and (b)(2) shall be ineligible to regain the license for CMA672-A.
 - **24.** Add § 22.961 to read as follows:

§ 22.961 Cellular licenses subject to competitive bidding.

(a) The following applications for Cellular licensed area authorizations are subject to competitive bidding:

(1) Mutually exclusive applications for Unserved Area filed after July 26, 1993; and

(2) Mutually exclusive applications for the initial authorization for CMA672-A (Chambers,

TX).

(b) The competitive bidding procedures set forth in § 22.229 and the general competitive

bidding procedures set forth in subpart Q of part 1 of this chapter will apply.

§ 22.969 [Removed]

25. Remove § 22.969.

26. Add § 22.983 to subpart H to read as follows:

§ 22.983 Field strength limit.

(a) Subject to paragraphs (b) and (c) of this section, a licensee's predicted or measured median field

strength limit must not exceed 40 dBµV/m at any given point along the Cellular Geographic

Service Area (CGSA) boundary of a neighboring licensee on the same channel block, unless the

affected licensee of the neighboring CGSA on the same channel block agrees to a different field

strength. This also applies to CGSAs partitioned pursuant to § 22.948.

(b) <u>Gulf of Mexico Service Area</u>. Notwithstanding the field strength limit provision set forth in

paragraph (a) of this section, licensees in or adjacent to the Gulf of Mexico Exclusive Zone are

subject to § 22.912(c) regarding service area boundary extensions. See § 22.912(c).

(c) Cellular licensees shall be subject to all applicable provisions and requirements of treaties and

other international agreements between the United States government and the governments of

Canada and Mexico, notwithstanding paragraphs (a) and (b) of this section.

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